ř

HEFORE THE PUBLIC UTILITIES COMMISSION

STATE OF COLORADO

Docket No. 97A-103T

STAFF'S RESPONSES TO ATAT WIRELESS' FIRST SET OF DISCOVERY REQUESTS TO STAFF

IN THE MATTER OF THE APPLICATION AND FINAL RECONSENDATION OF THE NUMBERING PLAN ADMINISTRATOR FOR RELIEF OF THE 303 AREA CODE.

Trial Staff hereby responds to the First Set of Discovery Requests of AT&T Wireless to Trial Staff..All responses were prepared by Staff member Bruce Armstrong.

DISCOVERY REQUESTS AND RESPONSES

1. Please provide a copy of all data, work papers, exhibits or other documents that will be used by you to support your position in this docket.

RESPONSE: At this time, Staff has not developed a position in this docket or prepared any exhibits that may be used in this docket. Staff is awaiting responses to discovery requests from parties in this docket that may become a major part of Staff's position. Staff realizes that these are continuing discovery requests and will provide any such relevant data, workpapers, exhibits or other documents (as may be provided under confidentiality provisions) at such time as it decides to use such information in support of a position in this docket.

-.

2. Do you have any opinion regarding when the 303 area code will exhaust? If so, please state the assumptions that you used in calculating that date and please provide a copy of all data, work papers, spread sheets or other documents that support your response.

PESPONSE: Data provided to Staff by the Colorado Code/Numbering Plan Administrator in various dockets or data received by the Colorado Numbering Task Force provides information regarding 303 area code exhaust. Primarily, the jeopardy plan as recommended by the Numbering Plan Administrator and approved by the Commission allows for a maximum of nine Central Office codes to be assigned in the 303 area code each month. With this allocation, the proposed implementation data for the issuance of the first CO code in the 720 area code would be on or about the end of the second quarter of 1998. At that time there would still be 26 protected CO codes and 20 "less desirable" CO codes available for assignment in the 303 area code. Since this data was collected as part of work performed by the Colorado Numbering Task Force, it is Staff's understanding that 13 additional CO codes have been returned to the CO Code Administrator that may change the actual exhaust date. Also, any effect from additional codes being returned or rate center consolidation cannot be determined at this time. From this available data, the actual exhaust date for the 303 area code is indeterminate at this time.

3. Please identify all number conservation measures adopted by the Commission or the Numbering Plan Administrator to date.

Task Porce with the authority to implement number conservation measures and has opened a docket and held hearings on rate center consolidation. By actions of the Colorado Numbering Task Force, 13 CO codes have been returned to the Code Administrator. We are still awaiting a Commission decision on the consolidation of rate centers. The Commission also promulgated an emergency rule relating to the efficient use of telephone numbers in the 303 area code. This emergency rule has provisions for Commission approval of promotional offerings that would promote the inefficient use of numbers. Staff is unaware of any other official actions adopted by the Commission to implement number conservation measures.

The Colorado Numbering Task Force, under the direction of the Commission, is evaluating all conservation measures, e.g., number pooling. The Colorado Numbering Plan Administrator has requested and received authority to implement a jeopardy allocation of CO codes until exhaust of the 303 area code. Staff is unaware of any other specific conservation measures adopted by the Numbering Plan Administrator.

conservation measures identified in response to question 3 above has had an impact on delaying the exhaustion of the 303 area code. Please provide specific data regarding how the number conservation methods have delayed exhaustion, including the amount of time exhaustion has been delayed. Please provide a copy of all data, work papers, spread sheets or other documents that support your opinion or other response.

presponse: Staff has done no analysis regarding the effect of implementing the jeopardy allocation by the Numbering Plan Administrator. Staff also has not done an analysis of the effect of the return of 13 CO codes to the Administrator. It will have some effect, depending on the allocation of codes subsequent to June, 1998. Until the Commission decides on the rate center consolidation in Docket No. 97M-548T, no determination of the effects of that measure can be made.

5. Please identify all additional number conservation methods not yet adopted by the Commission or the Numbering Plan Administrator that could delay exhaustion of the code and explain why you believe that would delay exhaustion and by how long. Please provide a copy of all data, work papers, spread sheets or other documents that support your opinion or other response.

RESPONSE: Staff is aware of no other number conservation methods that are being considered by the Commission or the Numbering Plan Administrator that have not been discussed in the previous responses. However, the consideration of a service-specific or technology-specific overlay in this docket may be considered by some to be a conservation method. Most of the data necessary to evaluate this alternative has not been received by Staff. Staff has made an estimate in previous dockets assuming all code holders providing basic telephone service remain in the 303 area code and all non-basic service providers were instantly moved to the 720 code (existing and new). If this were to be the case and current growth rates for each industry segment would continue at current rates of telephone number utilization, both area codes (303 and 720) would exhaust in approximately 6-8 years. Currently, the growth rates estimated by Staff for the industry Begments are:

LECs

Between 1 and 9 percent depending on wire center (Average 4 percent).

Paging

8 percent

Callular/PCS

34 percent

At these growth rates and the current number of CO Codes / telephone numbers the following estimates can be used:

TNS 3681071 385378 719440
Growth Rate 4% 8% 34%
TN Growth 147,243 30,830 244,610

Staff has not completed its analysis of the forecasted exhaust under different scenarios (i.e., growth rates, CLEC market entry, etc.). Attached are spreadsheets that allow Staff to forecast exhaust conditions using various assumptions relating to growth rates and CLEC entry. These are being provided as examples only and are not necessarily going to be used by Staff in this form or using these assumptions.

6. Do you have an opinion regarding whether a prospective wireless only overlay without a take back of wireless numbers would delay exhaustion of the 303 area code? If your opinion is that it would, for how long? If you have any opinion regarding this issue, please provide any assumptions underlying your opinion, including, but not limited to, the date on which the wireless only overlay would have to commence. In addition, please provide all data, work papers, spread sheets or other documents that support your opinion or other response.

PRESPONSE: Staff has not done any analysis on a wireless only overlay without a take back of wireless numbers. However, Staff believes that a wireless only overlay without a take back of existing wireless numbers would not be an effective means of delaying the exhaust of the 303 area code.

only overlay with a take back of wireless numbers would delay exhaustion of the 303 area code? If your opinion is that it would, for how long? If you have any opinion regarding this issue, please provide any assumptions underlying your answer, including, but not limited to, the date on which the wireless take back of numbers would have to be completed. In addition, please provide all data, spread sheets, work papers and other documents that support your opinion or other response.

PREPOYSE: Staff has not completed its analysis of such a scenario. See response to question number 5 for preliminary information.

DATED this 13th day of March 1998.

GALE A. NORTON Attorney General

MARTHA PHILLIPS ALLBRIGHT Chief Deputy Attorney General

RICHARD A. WESTFALL Solicitor General

LINDA L. SIDERIUS Deputy Attorney General

RAYMOND L. GIFFORD First Assistant Attorney General

EUGENE C. CAVALIERE, 03796* Senior Assistant Attorney General Regulatory Law Section

Attorneys for Trial Staff

1525 Sherman Street, 5th Floor Denver, Colorado 80203 Telephone: (303) 866-5420 FAX: (303) 866-5395 *Counsel of Record

AG ALPHA: RL AG DFDAB

P:\RL\RLCAVAEC\RLECS026.DOC

45-p.1

303 Only Wireless	12/1/07 Current Codes	2/1/98	Annual Growth Rate		Years to exhau # of CLECs Ad per year	- delication and the second
Large ILEC	437	445 🖺		610	• •	
Small ILEC	5	5	4%	6		
CLEC	76	107	4%	176		
TOTAL WIRELINE	518	557		792		
Cellular	100	100		590	Years	6.067832
PCS	15	21	1. Supplied 1. Sup	124		
Paging	47	49		78		
TOTAL WIRELESS		170		792		•
Cellular	628615	1000000	100			
CLEC	192999	780000	76			
Large ILEC	3482792	4370000	437		War to a second and the second and t	
Pager	385378	470000	47			
PCS	90826	180000	18			
Small ILEC	5280	50000	5			
Not Available*	90000	90000	•			

Statewide Wireless

	12/1/97 Current Codes	3/1/98	Annual Growth Rate	# 6	Years of CLECs Added	8.055 86 3 2
Large ILEC	437	445	4%	610		
Small ILEC	5	5	4%	6	•	
CLEC	76	107	4%	176		
TOTAL WIRELINE	518	557		792		
Cellular	243	243	34%	601	Years	3.097072
PCS	29	29	34%	71		
Paging	95	95	8%	120		
TOTAL WIRELESS	367	367		792		

-4

· :

MN1-1 45-P.2

303 Only Wireless	12/1/97 Current Codes	3/1/98	Annual Growth Rete		Years to exhaus: # of CLECs Add: per year	
Large ILEC	437	445 [1	633		
Small ILEC	5	5	4%	7		
CLEC	76	107	4%	152		
TOTAL WRELINE	518	557		792		
Cellular	100	100		590	Years	8.067832
PCS	18	21	37234%	124		
Paging	47	49	8	78		
TOTAL WIRELESS	165	170		792		
Cellular	628815	1000000	100			
CLEC	192999	760000	76		Yellow indicate	s fields to modif
Large ILEC	3482792	4370000	437			
Pager	385378	470000	47			
PCS	90825	180000	18			
Small ILEC	5280	50000	5			
Not Available	80000	90000	•			

Statewide Wireless

	12/1/97 Current Codes	3/1/98	Annual Growth Rate	* 01	Years CLECs Added	5.05 5663 2
Large ILEC	437	445	4%	610		
Small ILEC	5	5	4%	6		
CLEC	76	107	4%	176		
TOTAL WIRELINE	518	557		792		
Cellular	243	243	34%	601	Years	3.097072
PCS	29	29	34%	71	, +	•
Paging	95	95	8%	120		
TOTAL WIRELESS	367	367		792		*

, 1

Number Utilization Data

	Numbers N/A for Assignment	TOTAL NUMBERS	NXX Codes Assigned	
Cellular	628,615	1,000,000	100	63%
CLEC	192,999	760,000	76	25%
Large ILEC	3,482,792	4,370,000	437	80%
Pager	385,378	470,000	47	82%
PCS	90,825	180,000	18	50%
Small ILEC	5,280	50,000	5	1196
Not Available*	90,000	90,000	9	100%
	4,875,889	6,920,000	692	70%
Unassigned**	1,080,000	1,080,000	108	
Recent Assign		460,000	46	
Protected		260,000	26	
"Less Desirable"		170,000	17	
Available		190,000	19	

Notes:

^{*} Nine NXX codes are considered not available for assignment (all N11 codes plus 555)

As of 12/1/97, 108 codes were unassigned. Since 12/1/97, 46 codes have been assigned. 26 codes are protected and will be released upon implementation of ten digit dialing. 17 codes are considered less desirable by administrator.

CERTIFICATE OF SERVICE

This is to certify that I have duly served the within STAFF'S RESPONSES TO AT&T WIRELESS' FIRST SET OF DISCOVERY REQUESTS TO STAFF upon all parties herein by depositing copies of same in the United States mail, postage prepaid, at Denver, Colorado, this day of March 1998, addressed as follows:

Melissa A. O'Leary, Esq. Denman & Corbetta, P.C. 1290 Broadway, Suite 702 Denver, CO 80203

Kathy E. Ford, Esq. U S WEST, Inc. 1801 California, Suite 5100 Denver, CO 80202

William M. Ojile, Jr., Esq. U S West, Inc. 1801 California, Suite 5100 Denver, CO 80202

Craig D. Joyce, Esq. Walters & Joyce, P.C. 2015 York Street Denver, CO 80205

Sue Williams, Director ICG Telecom Group, Inc. 9605 East Maroon Circle Englewood, CO 80112

P.O. Box 1273 Elizabeth, CO 80107

Maria Arias-Chapleau, Esq.
Rebecca B. DeCook, Esq.
AT&T Communications of the Mountain
States, Inc.
1875 Lawrence St., Room 1575
Denver, CO 80202

Judith St. Ledger-Roty, Esq. Enrico C. Soriano, Esq. Kelley Drye & Warran 1200 19th St., N.W., Suite 500 Washington, D.C. 20036

Dudley P. Spiller, Esq. Gorsuch Kirgis L.L.C. Tower I, Suite 1000 1515 Arapahoe Street, Denver, CO 80202

Michael G.Smith Sprint Communications Co., L.P. 8140 Ward Parkway, SE Kansas City, MO 64114

Michael McGloin McGloin, Davenport, Severson & Snow 1600 Stout St., Suite 1600 Denver, CO 80202-3144

Robert W. Nichols, Esq. Nichols & Hecht, LLC 2060 Broadway, Suite 200 Boulder, CO 80302

Thomas F. Dixon, Esq.
MCI Telecommunications Corp.
707 17th Street, Suite 3900
Denver, CO 80202

Gene DeJordy
Director of Regulatory Affairs
Western Wireless Corporation
2001 NW Sammamish Road
Issaquah, WA 98027

Joe O'Neil, Esq.
U S West New Vector Group, Inc.
3350 161st. Avenue SE
Bellevue, WA 98008

Richard L. Corbetta, Esq. Denman & Corbetta, P.C. 1290 Broadway, Ste. 702 Denver, CO 80203

Julia Kane, Esq.
U S West, Inc.
Law Department
7800 E. Orchard Rd., Ste. 490
Englewood, CO 80155-6508

Stephanie Boyett-Colgan Regulatory Compliance U S WEST Wireless 12121 Grant Street, Ste. 201 Thornton, CO 80241

Joseph Assenzo Sprint Spectrum L.P. dba Sprint PCS 4900 Main St., 12th Floor Kansas City, Mo 64112

Robert M. Pomeroy, Jr. Karol A. Kahalley Holland & Hart 8350 E. Crescent Parkway, Ste. 200 Englewood, CO 80111

Rick Sullivan
Government Relations Manager
AT&T Wireless Services
1001 16th St., Ste. C-1
Denver, CO 80265

Ann Hopfenbeck
Assistant Attorney General
1525 Sherman Street, 5th Fl.
Denver, CQ 80203
BY INTERDEPARTMENTAL MAIL

Dian Callaghan
Office of Consumer Counsel
1580 Logan St., Suite 610
Denver, CO 80203
BY INTERDEPARTMENTAL MAIL

Bruce N. Smith
Public Utilities Commission
1580 Logan St., OL2
Denver, CO 80203
BY INTERDEPARTMENTAL MAIL

Bruce Armstrong
Public Utilities Commission
1580 Logan St., OL2
Denver, CO 80203
BY INTERDEPARTMENTAL MAIL

Robert Skinner
Public Utilities Commission
1580 Logan St., OL2
Denver, CO 80203
BY INTERDEPARTMENTAL MAIL

Vivian Pederson
Public Utilities Commission
1580 Logan Street, OL2
Denver, CO 80203
BY INTERDEPARTMENTAL MAIL

Pal appleir

EXHIBIT C

COMMONWEALTH OF MASSACHUSETTS before the DEPARTMENT OF PUBLIC UTILITIES

The 617/508 Area Code Relief Plan

D.P.U. 96-61

SPRINT SPECTRUM L.P.'S INITIAL BRIEF, AND MOTION TO ADMIT EXHIBIT

The Department of Public Utilities should order a geographic split of the 617 and 508 area codes, because a geographic split is a more competitively neutral solution than an overlay. The Department should also order that the geographic split be expedited, because delaying area code relief, as NYNEX wants, is anticompetitive. Delaying relief ensures that numbers will not be available to new market entrants.

I. A GEOGRAPHIC SPLIT IS COMPETITIVELY AND TECHNOLOGICALLY NEUTRAL, AND IS THE BEST SOLUTION TO THE 617 AND 508 AREA CODE EXHAUST

A geographic area code split of the 617 and 508 area codes is the most competitively and technologically neutral solution to the area code exhaust. All telecommunication service providers have equal access to new numbers under a geographic area code split and are able to seek new customers on a more equal basis, thus helping to develop a true competitive marketplace in telecommunications services as mandated by the provisions of the recently passed federal Telecommunications Act of 1996. An area code overlay alternative, by contrast, has the undesired effect of limiting the potential for new competition, thus putting new entrants at a competitive disadvantage compared to existing providers. Little Direct Testimony, pp 1&2.

Universal 10-digit dialing is not sufficient to mitigate the anticompetitive affects associated with an overlay. There is still a disparity in the perceived value of the old NPA versus the new NPA, and therefore there is still a disincentive for a customer of an existing provider to switch to a new competitor if the customer must change his number. Exhibit AG-107, Response 7, citing Draft Alternate Order of Commissioners Fesseler and Neeper, Order Instituting Rulemaking on the Commission's Own Motion Into Competition for Local Exchange Service, California PUC docket no. R. 95-04-043 (July 24, 1996). See also Little Testimony, pp 3-4. TCG's witness explains further:

Customers who currently have telephone numbers in 617/508 or new customers in that same geographic area will be extraordinarily reluctant to give them up and take numbers in the new overlay NPA in order to do business with a competitor. All of their customers and neighbors, and their own business competitors, will still have the benefit of the familiar NPA and the present identification of those numbers with a specific geographic area. The overlay plan thus will create two unequal classes of customers.

One class will consist of the customers of TCG and other competitors of the LEC. Under an overlay NPA plan, these customers will be relegated to a new, unfamiliar and inferior NPA. An existing or new business that must rely on customers calling it would be understandably reluctant to take a chance that all its callers will recognize its new area code as a known or even "another" local area code which can be reached by a local call, instead of a toll call. This will discourage customers form purchasing service from competitors.

The second, and favored, class of customers are the customers of the LEC which dispenses the NPAs. The effect of an NPA overlay is therefore to stigmatize those customers served out of the overlay NPA and the competitors such as TCG which serve them.

NYNEX will be greatly advantaged by the fact that the significant inconvenience and confusion relating to the new area code will be largely borne by the customers and potential customers of NYNEX's competitors. Moreover it is NYNEX's competitors who will be forced to expend resources to overcome these substantial disadvantages. Only in an NPA code split, where all customers in an area receive a new NPA, would a change in NPA by a customer not create much confusion, and not act as a deterrent to the choice of a competitors services. Hirsch Direct Testimony, pp 7-8.

Permanent number portability where a customer can retain its area code and 7-digit number is needed to more fully mitigate the anticompetitive aspects of an overlay.

Little Direct Testimony, p 4.

Service provider number portability allows an end user to retain the same telephone number when changing from one local service provider to another, for example from an existing local exchange carrier to a new local exchange carrier, while remaining in the same location. With service provider number portability, new competitors would be at less of a competitive disadvantage as a result of an overlay NPA, since their prospective customers could retain their local phone numbers, including whatever NPA they happen to be assigned to, and switch to a new carrier. True service provider number portability also results in conservation of number resources, since the substantial number of unused numbers in existing area codes can be assigned and used by existing LECs or new companies. Moreover, as customers shift to new local providers they can retain and use their existing numbers, thus not requiring any additional number resources. Hirsch Direct Testimony, pp 12-13.

NYNEX, apparently, does not plan on implementing true number portability before required to by the FCC's Order in Docket No. 95-116. See Exhibit AG-100; see also DeSisto Testimony, 3:150-151. The FCC's phase-in schedule requires LECs to provide number portability in the Boston MSA by April 1, 1998; however, LECs may under certain circumstances be granted a nine month extension. As discussed fully in Part II,

below, area code relief must be implemented well before April 1, 1998, because the number supply is at a critically low level, and without adequate numbers there can be no real competition or new telecommunications services, features, and capabilities.

Interim number portability is not an adequate solution to the anticompetitive effects of an area code overlay or to delaying area code relief. For example, interim number portability increases the risk of premature code exhaust, because it requires the double assignment of numbers needed for remote call forwarding. In addition, there are technical drawbacks, and customers that are forced to use remote call forwarding will suffer a significant decline in quality of service. For example, with remote call forwarding, there generally is call transmission degradation; simultaneous call limitations to individual numbers; additional call set up time; problematic 911 routing; potential adverse impact on operator services; and potential billing confusion. Customers are less likely to switch to a new competitor if their quality of service must suffer in order to preserve their telephone number. Exhibit AG-107, Response 3; see also DeSisto Testimony, 2:141-144.

The Department should order a geographic area code split of the 617 and 508 area codes. It is the most competitively and technologically neutral solution to the area code exhaust.

II. GEOGRAPHIC SPLIT MUST BE EXPEDITED

NYNEX's plan to wait 15 to 18 months to implement area code relief after the Department issues an order is anticompetitive, because it ensures that an adequate supply of numbers will not be available to its competitors and to the competitors of its affiliate, Bell Atlantic NYNEX Mobile. To the extent that the implementation time — both

technical implementation and any permissive dialing and notice periods — can be shortened, the more exchange codes will be available for assignment during the conservation procedure.

NECTA and AT&T Communications' witness Dr. Collins testified that "a geographic split can be implemented with the Department's support, by or before February, 1997." Collins Direct Testimony, p 23. Dr. Collins further testified that "Because an Area Code Split is the process which has been implemented to date, the time required to plan the translation changes necessary in switching and changes in other equipment and to implement and test them and cut them into service is well understood and is able to be kept under control." In contrast, "The equivalent schedule to implement an overlay is not as accurately known because one has never been implemented under an expedited situation. Collins Direct Testimony, p 23.

Dr. Collins also testified:

[I]t is still possible to recommend to the Department that it should require NYNEX to develop a 10 month plan rather their 24 month plan for the implementation of a split in accordance with Attachment 2 as discussed in more detail below. The starting time for the 10 month period would be the same as that for the 24 month period, that is, in April 1996. The split would be put into place at the beginning of February, 1997. This would have the effect of more than doubling the number of 617 NXX codes available on a per month basis from five to eleven. If one assumes that the code utilization of ten per month from November of 1995 to March of 1996 was at the high level NYNEX claimed it was but, in the absence of allocation would continue, then the eleven codes per month will satisfy the demand. Collins Direct Testimony, p 19.

(NYNEX's witness concedes his belief that the states have the prerogative to order shorter or longer permissive dialing period and notice periods depending on the pressure on the number supply. DeSisto Testimony, 4:107-108.)

NYNEX can still implement a geographic split by February 1997, which includes a two month notification period and 30 day permissive dialing period:

NYNEX declared a jeopardy situation for the 617 NPA in November 1995. Since that time, NYNEX should have been doing and now completed all necessary planning to implement either a geographic split or an overlay relief plan. The Department has the authority to set the public notification period; two months is sufficient. During that time, NYNEX should be able to complete the reprogramming of its equipment that would be needed to implement the geographic split solution. At that point, the new NPAs could be implemented, with a permissive dialing period of 30 days. So long as the Department issues its decision in this docket by the beginning of November 1996, under this schedule a geographic split of the 617 area code could be implemented by early February 1997. Exhibit AG-66.

The Public Utility Commission of Texas ordered Southwestern Bell Telephone Company to technically implement a geographic split of the Dallas 214 Area Code in six months. See ordering paragraph 1.B., Order, PUCT docket no. 14446 (March 13, 1996). The 214 area code split was larger in scale than the proposed 617 split. In Dallas, 1.6 million customers were required to change their telephone numbers, as compared to the 1 million that will be affected by a split of the 617 area code. See Exhibit SSLP-10, and Finding of Fact 47, Order, PUCT docket no. 14446 (March 13, 1996). Likewise, NYNEX should be required to expeditiously implement area code relief in the 617 and 508 NPAs.

Area code relief must be expedited given the critically low number supply in Massachusetts. NYNEX concedes there is no area code relief activity occurring in other New England states. DeSisto Testimony, 3:185. And, NYNEX is not aware of any other states at the moment in which NXX codes are being rationed. DeSisto Testimony, 4:109. Nor is NYNEX aware of any other states besides Massachusetts, from 1995 to the present, that have rationed NXX codes. DeSisto Testimony, 4:110.

NYNEX's 2nd Quarter 1996 forecast illustrates how severe the pressure is on the number supply. In the 2nd Quarter of 1996, before implementing the extraordinary jeopardy rationing procedure, NYNEX projected that the 617 area code would exhaust in 6 months, by the 4th Quarter of 1996. Exhibit AG-80. In March 1996, after implementing the extraordinary jeopardy rationing procedure, NYNEX projected an April 1998 exhaust date for the 617 area code. Exhibit AG-80. So. NYNEX is trying to stretch out a 6 month supply of numbers over at least 2½ years (November 1995 to April 1998 or later).

In the Second Report and Order and Memorandum Opinion and Order, FCC 96-333 (August 8, 1996), the FCC reaffirmed that telephone numbers are essential resources to be shared as fairly and equitably as possible and that without them there can be no real competition: "The Commission has repeatedly recognized that access to telephone numbering resources is crucial for entities wanting to provide telecommunications services because telephone numbers are the means by which telecommunications users gain access to and benefit from the public switched telephone network. In enacting the 1996 Act, Congress also recognized that ensuring fair and impartial access to numbering resources is a critical component of

States." Second Report and Order, paragraph 261 (emphasis added). If area code relief is not expedited, there can be no true telecommunications competition in the 617 and 508 area code regions.

Yet NYNEX proposes to wait until 18 months to implement a geographic split

after the boundary line is determined, while NYNEX has millions of unused
telephone numbers to meet its needs for at least a decade, but new market entrants have
very few. Effectively. NYNEX proposes to starve new market entrants of telephone
numbers — entrants that would compete with NYNEX and its affiliate, Bell Atlantic
- NYNEX Mobile.

NYNEX has warehoused about 5.5 million numbers in the 617 and 508 area codes. See Collins Testimony, 1:183 through 1:184. In the 617 area code alone, NYNEX has 390% more telephone numbers than its competitors have in total. NECTA and AT&T's witness explains:

One can make an approximation of the number of telephone numbers NYNEX is holding in reserve in the 617 area code. NYNEX has 481 NXX codes with approximately 10,000 telephone numbers in each one. That is a total of 4,180,000 available telephone numbers. In response to the PageNet information request for the number of telephone lines in service, NYNEX indicated 1.802,825 (PN 1-19). The difference in these two numbers is a rough indication as to the number of telephone numbers which are not assigned to telephone lines. It is approximately 3,000,000. NYNEX's CLEC competitors have a total of 77 NXX codes which represent 770,000 telephone numbers. Even if they held all of these numbers

See Exhibits AG-103 & 104

in reserve, NYNEX still has 390% more telephone numbers in the 617 area not being used that its competitors have in total — both used and unused. Collins Direct Testimony, p 14.

NYNEX concedes that, as a conservative estimate, it has at least 3 million unassigned numbers in the 617 and 508 area codes. See DeSisto Testimony, 2:159 through 2:162. NYNEX estimates that it would take about 10 years to use the 1.5 million numbers it has left in the 508 area code. DeSisto Testimony, 2:165.

Not only has NYNEX warehoused millions of numbers, but it reuses or "churns" numbers to meet almost all of its needs. When residential and business customers terminate service, the old numbers are recycled and assigned to new customers. See Collins testimony, 1:183 through 1:186, and exhibits SSLP 6 through 9.

The radical imbalance of numbers in favor of NYNEX is anticompetitive. Dr. Collins testified, for example:

... NYNEX still has 390% more telephone numbers in the 617 area not being used that its competitors have in total — both used and unused. NYNEX's proposal further advantages NYNEX because it will be able to retain 617 and 508 numbers for its use if customers move or discontinue service. CLECs will not have this ready reserve to draw upon at the outset or on a going forward basis.

It is really difficult to see how the NYNEX approach satisfies any reasonable competitive neutrality standard once the Department examines the underlying facts. The NYNEX approach tilts the level playing field. In my opinion the NYNEX approach is inconsistent with the spirit of the Telecommunications Act of 1996 and the basic principles underlying the FCC's area code guidelines. Collins Direct Testimony, pp 14-15.

Given the overwhelming competitive advantage NYNEX has if area code relief is delayed, NYNEX's testimony that it needs (another) 18 months to implement a geographic split once the split boundary is implemented (and 15 months to implement an overlay) must be regarded with extreme skenticism.

The planning and conservation process must promote the efficient use of numbers, competition, and the introduction of new telecommunications services, but NYNEX's proposal doesn't do that. The Central Office Code (NXX) Assignment Guidelines, like the FCC's orders, state that "The NANP resources are considered a public resource . . . " Paragraph 2.1; see Attachment 3 to Mr. DeSisto's Testimony for a copy of the Guidelines. Paragraph 2.6 of the Guidelines states: "The guidelines should provide the greatest latitude in the provision of telecommunications services while effectively managing a finite resource." Furthermore, the Guidelines define "Conservation" as "Consideration given to the efficient use of a finite numbering resource in order to minimize the cost and need to expand its availability in the introduction of new services, capabilities and features." But NYNEX's proposal does not treat numbers as a public resource; nor does it provide for the efficient use of numbers; nor does it work to expand the introduction of new services, capabilities, and features. NYNEX has warehoused a surplus of millions of unused telephone numbers, and it proposes to starve new entrants of telephone numbers by delaying implementation of area code relief when the number supply is at a critically low level. Without numbers, there can be no real competition, and introduction of new services, capabilities, and features will be limited or shut out completely in the 617 and 508 area code regions. Dr. Collins, for example, testified: